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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/219,267	12/23/1998	JAY S. WALKER	98-109	2012
22927 7590 03/10/2009 WALKER DIGITAL MANAGEMENT, LLC 2 HIGH RIDGE PARK STAMFORD, CT 06905				
EXAMINER				
NGUYEN, TRI V				
ART UNIT		PAPER NUMBER		
1796				
MAIL DATE		DELIVERY MODE		
03/10/2009		PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/219,267

Applicant(s)

WALKER ET AL.

Examiner

TRI V. NGUYEN

Art Unit

1796

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 15 December 2008.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 56-62, 65-70 and 73-81 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 56-62, 65-70, 73-81 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/C)
- 4) ☐ Interview Summary (PTO-413)
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____
- Paper No(s)/Mail Date _____

DETAILED ACTION

Request for Continued Examination

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 12/15/08 has been entered.

Response to Amendment

2. Upon the amendment filed on 12/15/08, Claims 75-80 are amended; Claim 81 is added and Claims 1-55, 63, 64, 71 and 72 are cancelled. The currently pending claims are Claims 56-62, 65-70 and 73-81.

3. Based on applicants' remarks and amendments, the claim objections and the 103(a) rejections are withdrawn. However, a new ground of rejections based on newly found art of Oslund ("The battle is joined // State's local long-distance business lures US West's competitor." Star Tribune, Feb 12, 1996, pages 1-3) is presented.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

5. Claims 56-62, 65-70 and 73-81 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter

which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. Amended claims 56, 61, 62, 75, 76, 77, 78, 79, 80 recite a negative limitation (the lack of a service agreement), there is a lack of literal basis for these features and limitations in the specification. Claims 57-60, 65-70, 73, 74 and 81 are dependent on claims 56, 61 and 62 thus inherit the same deficiency.

Claim Rejections - 35 USC § 103

6. The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.
7. Claims 56-61, 65, 73-78 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Katz in view of Brian Reilly ("Upselling strategies hit the net" Net Marketing, pages M1 and M18, December 1996), Logan, Dana Spoor, Chelliah et al. (US 5,710,887), Stephen Ellis and Oslund ("The battle is joined // State's local long-distance business lures US West's competitor." Star Tribune, Feb 12, 1996, pages 1-3).

Claims 56, 61 and 65: Katz discloses various schemes that include upselling offers of goods/services upon an indication of and based on a primary transaction, closing/order fulfillment/tracking on the second transaction (thus an indication of fulfillment received) (see at least Figs 5, items 210-214 and col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23).

Hence Katz discloses:

A method for providing an offer, comprising the steps of:

Receiving on a Website, an indication of at least one item that the customer is to purchase from the first vendor by an item identifier, the at least one item having an

associated total price (see at least Figs. 4, 5, 6 and associated text; col. 8 lines 22-26; col. 21 lines 9-15; purchase contact);

selecting an offer for upsell from a plurality of offers (Figs. 6, item 326 and col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23);

transmitting in response to the received an indication of at least one item, an indication of an offer from the second vendor (see at least Figs. 4, 5, 6 and col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23);

receiving an indication that the customer accepts the offer (see at least Fig. 9 item 414 and col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23)

providing the at least one item for the customer;

determining whether the customer has fulfilled the second transaction (see at least Fig. 6, items 360-368 and associated text ;col. 26 lines 49-58: customer billing and allocation of costs between vendors whereby the second vendor pays some of the first vendor's costs).

Katz does not explicitly disclose the features of the offer is for a conditional offer for a subsidy by second vendor from the total price of the first item, the specific web interface features, the credit card features and the subsequent interactions with the customer and various subsidizers such as obligation fulfillment or credit card application. Katz et al. disclose the features of networked computer, web implementation and targeted subsidies (col. 1, line 22 to col 20, line 22).

In an analogous art, Reilly discloses an upselling system that includes the features of a web interface with selectable buttons, price indication and promotional offers/redemptions (see page M-3 and M-18), Logan discloses generating a customer interface for allowing the customer to interact with the system and providing an offer

from a second merchant selected from a plurality of merchants based on the customer information on various platforms such as a PDA or portable computer (col 6, lines 10-44, col 9, lines 23-50 and col 10, lines 51-55) and Chelliah et al. disclose a marketing system in which various coupons are offered based on the items selected by the customer and placed into a virtual shopping cart via pricing rules (col 13, line 10 to col 15, line 32). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to allow the customer to interact with the system via a customer interface on various platforms that includes standard inputs and outputs such as a selectable button, price indications and selecting offers from various merchants. The claimed subject matter would have been obvious because a particular known technique was recognized as part of the ordinary capabilities of a skilled artisan to improve and update known scheme to modern business and technological practices. In particular, the claim would have been obvious because a particular known technique such as the adaptation of the web interface schematic of Reilly to the personal interactions of Katz was recognized as part of the ordinary capabilities of a skilled artisan.

In an analogous art, Oslund teaches that it is known to use a cross-marketing approach to sell a product at discount via a subsidy from a second vendor to provide an incentive to the purchaser of the product - coupon for a grocery store subsidized by a service carrier (abstract, page 3). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the cited references' method, with the cross-marketing approach as taught by Oslund. One would have been motivated to modify the method with subsidizing for the price of a product/service with a related product/service for providing an incentive for the purchase of the initial

product/service thus enhancing customer base via a combination of products and achieving profitability.

In an analogous art, Spoor teaches a cross-marketing scheme with the features of a service provider such as a telephone service and cancellation fees (Spoor: page 1, parag. 7-8, 10 and page 2, parag.4) and Ellis discloses a scheme where advertisers offer incentives to users to switch to their credit card account services (consumers are encouraged to switch credit card service providers to lower interest rates on transferred balances - this feature also implies that the customer is refrained from switching to a competitor credit cards, see page 1, paragraph 7). It would have been obvious to one skilled in the art at the time the invention was made to complement the cited references' teachings of upselling when a customer is ready to buy based on the primary transaction/ user profiling and for offering subsidies to entice customer to switch to a second vendor with the teaching of Spoor and Ellis as to providers switching to permit advertisers such as service providers to implement their advertising method on the cited references' method such as taking advantage of Katz's upsell profiling/targeting methods. The claim would have been obvious because the technique for improving a particular class of marketing system was part of the ordinary capabilities of a person of ordinary skill in the marketing art, in view of the teaching of the technique for improvement in other situations such as the implementation of an upselling system based on profiling and targeted advertising to the service provider field.

Claims 57-60, 73 and 74: regarding the specific credit card features, official Notice is taken that it is old and well known within the marketing arts to make promotional offers to customers who will complete and submit application forms for credit cards as shown by Ellis. These offers are not only made at a merchant's point of

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sale, but are prevalent throughout our "plastic" society. Indeed, with the advent of "sponsored" credit cards several years ago, such as banks and even gasoline companies issuing VISA cards, surveys have shown that each American receives dozens of such offers each year. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include a promotion based on a credit card application by the customer. One would have been motivated to use such a promotion in order to increase the amount of credit available to the customer, thus enticing the customer to spend more at the merchant. One would have been motivated to ensure that the customer did not already have an account with the credit card issuer in order to avoid providing an excessive credit limit to a customer.

Claims 75-78 describe the apparatus and instructions of the method claims 56, 61 and 62 thus the cited prior art references as set forth above are relied upon to reject claims 75-78.

8. Claims 62, 79 and 80 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al. in view of Logan et al. and Oslund.

Claim 62: Katz et al. disclose a method for providing a discount to a customer which includes:

a. Receiving an indication that a customer is to purchase an item from a merchant (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6),

in which none of the at least one item requires a service agreement for its use;

b. selecting, by a computing device, a second merchant from a plurality of merchants;

c. providing, in response to the received indication, an offer for a benefit (discount/subsidy) from the second merchant, the step of providing the offer being performed before the at least one item is purchased (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6),

in which the offer is not provided unless and until the indication of the at least one item that the customer is to purchase from the first merchant is received;

c. Receiving a response from the customer accepting the offer (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6); and
d. Applying the benefit (discount/subsidy) to the item (col 15, lines 59-65; col 17, line 54 to col 18, line 15; col 19, line 24 to col 20, line 23 and Figs 4-6).

In an analogous art, Oslund teaches that it is known to use a cross-marketing approach to sell a product at discount via a subsidy from a second vendor to provide an incentive to the purchaser of the product (abstract and page 3). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method as taught by Katz, with the cross-marketing approach as taught by Oslund. One would have been motivated to modify the method with subsidizing for the price of a product/service with a related product/service for providing an incentive for the purchase of the initial product/service thus enhancing customer base via a combination of products and achieving greater profitability. While Katz et al. and Oslund do not explicitly disclose that the offer is from a second merchant who has been selected from a plurality of merchants based on the customer information, Logan discloses a similar method and further discloses providing an offer from a second merchant selected from a plurality of merchants based on the customer information (col 9, lines 23-50) and

generating a customer interface for allowing the customer to interact with the system (col 10, lines 51-55). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use customer information to present an offer to the customer and to allow interactions from the customers. One would have been motivated to select the offer from a plurality of secondary merchants in order to give the customer greater latitude in the selection of the providers and to allow for a customer interface to expedite the method, thus increasing the likelihood that the customer would accept the offer.

Claims 79 and 80 describe the apparatus and instructions of the method claim 62 thus the cited prior art references as set forth above are relied upon to reject claims 79 and 80.

9. Claim 66 is rejected under 35 U.S.C. 103(a) as being unpatentable over Katz et al., Oslund, Logan and Spoor and in further view of Tedesco (Broadcasting & Cable).

Claim 66: Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan disclose the method of Claim 65 above but do not explicitly teach that the service comprises Internet service. In an analogous art, Tedesco teaches the use of cross-marketing between a phone company and America Online to provide Internet service (cols 1, 2 and 3 on page 1). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan to include providing Internet service. One would have been motivated to apply the teachings of Tedesco to the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan to provide Internet service and thus enticing customers

with a novel service, increasing and diversifying the customer base to achieve greater profitability.

10. Claims 67 and 68 are rejected under 35 U.S.C. 103(a) as being unpatentable Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan and in further view of Fleming et al. (Wall Street Journal).

Claims 67 and 68: Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan disclose the method of Claim 65 above but do not explicitly teach that the service comprises insurance service or banking service. In an analogous art, Fleming et al. teaches the use of cross-marketing and cross-selling between the banking and insurance sectors ("bancassurance" and "assurfinance") to provide banking and insurance services (§ 1-3 on page 1). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan to include providing banking and insurance services. One would have been motivated to apply the teachings of Colman to the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan to provide banking and insurance services and thus enticing customers interested in one item with an accompanying service, thus increasing and diversifying the customer base to achieve greater profitability.

11. Claims 69 and 70 are rejected under 35 U.S.C. 103(a) as being unpatentable over Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan and in further view of Colman (Broadcasting & Cable).

Claims 69 and 70: Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan disclose the method of Claim 65 above but do not explicitly teach that the service comprises satellite television service or cable television service. In an analogous art, Colman teaches the use of cross-marketing and cross-selling between the telephone, cable television and satellite television sectors to provide satellite television service and cable television service (§ 4 and 5 on page 2). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan to include providing satellite television service and cable television service. One would have been motivated to apply the teachings of Colman to the method of Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan to provide service and thus enticing customers interested in one item with an accompanying service, thus increasing and diversifying the customer base to achieve greater profitability.

12. Claim 81 is rejected under 35 U.S.C. 103(a) as being unpatentable Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan and further in view of Weinblatt (5,515,270).

Claim 81 over Katz, Reilly, Chelliah, Oslund, Spoor, Ellis, and Logan disclose the method as in Claim 61 above, but do not explicitly disclose that the price is reduced by a predetermined amount or percentage or reduced to zero (free item) and the subsidizing by a third merchant. Weinblatt discloses a similar method in which the promotions (offers) "can involve coupons for lowering the price" . . . "2 for 1 sale, oversize containers sold for the same price, manufacturer rebates, combining one product with another product, free giveaways, eligibility for a prize drawing, etc." (col 8, lines 40-45). Therefore, it would have been obvious to one having ordinary skill in the art at the time

the invention was made that various types of offers could be utilized, to include price reductions based on a predetermined amount, a predetermined percentage, reduction of the price to zero (free give-away), etc. It also would have been obvious to limit the reduction to no more than the total price of the item being purchased. One would have been motivated to include these types of price reduction offers and to place such a limit on the reduction in order to increase the flexibility of the system while preventing the merchant from losing money by actually paying the customer to take the item (if the price reduction exceeded the price of the item). Regarding the subsidizing by a third merchant, it would have been obvious to a skilled artisan at the time of the invention to arrive at a marketing plan in which numerous merchants would provide the subsidy to gain the benefit of presenting a diversification in the offers thus enticing a variety of customers.

Response to Arguments

13. Applicant's arguments filed 12/15/08 have been fully considered but they are not persuasive and are moot in view of the new ground of rejections.

Applicants argue that the cited references do not teach the feature of web interface providing the cross-marketing approach of a discount provided by a second merchant (page 19 et seq.). The examiner respectfully disagrees and notes that even if the references in the instant case do not expressly suggest the specific combination claimed by the inventor, an assertion which the examiner contests, the courts have stated "to support [a] conclusion that claimed combination is directed to obvious subject matter, references must either expressly or impliedly suggest claimed combination or examiner must present convincing line of reasoning as to why artisan would have found claimed invention to have been obvious in light of

references' teachings." Ex parte Clapp, 227 USPQ 972, 973 (BdPatApp&Int 1985). Furthermore, The Courts have already established that "[h]aving established that this knowledge was in the art, the examiner could then properly rely, as put forth by the solicitor, on a conclusion of obviousness 'from common knowledge and common sense of the person of ordinary skill in the art without any specific hint or suggestion in a particular reference.'" In re Bozek, 163 USPQ 545, 549 (CCPA 1969). In the instant case, Katz et al. is relied upon to teach various schemes that include upselling offers of goods/services upon an indication of and based on a primary transaction, closing/order fulfillment/tracking on the second transaction; Reilly and Chelliah are relied upon to the web interface and newly-found art of Oslund is relied upon to teach the cross-marketing feature of subsidy by a second merchant for a primary product purchase (grocery discount funded by AT&T). Thus the claim would have been obvious because a particular known technique such as the adaptation of the web interface schematic of Reilly and Chelliah to the personal interactions of Katz was recognized as part of the ordinary capabilities of a skilled artisan.

Conclusion

14. Any inquiry concerning this communication or earlier communications from the examiner should be directed to TRI V. NGUYEN whose telephone number is (571)272-6965. The examiner can normally be reached on M-F 8:00 AM to 5:30 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vasu Jagannathan can be reached on (571) 272-1119. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/T. V. N./
Examiner, Art Unit 1796
March 10, 2009

/Eric W. Stamber/
Supervisory Patent Examiner, Art Unit 3622